



News from
U.S. Congressman

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Gutknecht calls caps, PAYGO ‘critical’

Washington, DC – First District Congressman Gil Gutknecht today applauded Budget Committee passage of the Spending Control Act of 2004. The measure would reestablish caps on discretionary spending and extend pay-as-you-go (PAYGO) requirements. The legislation is in response to a coalition, led by Gutknecht, demanding such spending control measures.

“It’s important the Budget Committee puts some steel into the enforcement provisions,” Gutknecht said. “During the past three years, Congress has spent \$80 billion more than was allocated in the Budget Resolution. Appropriators have continued to ignore spending levels set by the Budget Committee. A broad coalition of Members has come together to let leadership know that we must restore fiscal discipline.”

The Spending Control Act of 2004 reestablishes, through 2009, the caps on discretionary (annually appropriated) spending. These caps expired in fiscal year 2002. The caps put firm limits on discretionary spending – limits have the force of law. In addition, the measure extends through 2009 the PAYGO requirements. The intent of PAYGO is to slow government growth.

Any breach of these spending disciplines results in automatic spending cuts – known as ‘sequesters.’ The bill allows discretionary caps be adjusted in cases of emergency. However, it codifies the definition of an emergency as an unanticipated and temporary event.

“The message is clear: we cannot pass a budget that continues to grow at a rate faster than the average family budget. By establishing caps on discretionary spending and instituting PAYGO, we can put rules into effect that have the force of law,” Gutknecht concluded.

Gutknecht is the chairman of the House Agriculture Subcommittee on Department Operations, Oversight, Nutrition and Forestry; vice chairman of the House Science Committee; and member of the House Budget Committee.